

Remarks

Reconsideration of this Application is respectfully requested.

Upon entry of the foregoing amendment, claims 11-13, 15-19, 21-27, and 31 are pending in the application, with claims 11, 17, 18, and 21 being the independent claims. Claims 28-30 have been cancelled without prejudice or disclaimer as being directed to a non-elected Group (being elected by original presentation by the Examiner). Claims 1-10, 14, and 20 were previously cancelled without prejudice to or disclaimer of the subject matter therein. Claims 11, 13, 15-18, 21, 22, 26, and 27 are sought to be amended. Claim 31 is sought to be added. Applicants reserve the right to prosecute similar or broader claims, with respect to the cancelled and amended claims, in the future. These changes are believed to introduce no new matter, and their entry is respectfully requested.

Based on the above amendment and the following remarks, Applicants respectfully request that the Examiner reconsider all outstanding objections and rejections and that they be withdrawn.

Examiner Interview

The Examiner is thanked for his time for a telephone conversation on February 2, 2010, during which discussions with Applicants' representative, Randall K. Baldwin, Applicants' attorney requested clarification of the Examiner's statements in the Restriction Requirement dated January 28, 2010. The Examiner clarified that new claims 28-30 submitted with the Amendment and Reply filed October 6, 2009 ("Reply") were being restricted out by original presentation in the Restriction Requirement. This understanding is reflected in the current status of claims indicated above.

During the interview, Applicants' representative and the Examiner discussed the current status of the now pending claims. The Examiner further clarified that while page 4 of the Restriction Requirement indicates that "[t]he rejections of claims 11-13 and 15-27, addressed in pages 2-18 of the Non Final Office Action mailed on 07/17/2009, are maintained," the rejections of claims 11-13 and 15-27 under 35 U.S.C. §§ 101, 103, and 112 had not been fully considered in view of the amendments and arguments submitted with the Reply. For example, the rejections of claim 20 under 35 U.S.C. §§ 101, 103, and 112, second paragraph were maintained despite the fact that claim 20 was canceled in the Amendment and Reply filed October 6, 2009.

Applicants' attorney agreed to submit a new Reply that addressed both the Restriction Requirement dated January 28, 2010, consistent with the discussions in the February 2, 2010 interview, and that re-addressed the Office Action of July 17, 2009, also consistent with the interview. As generally discussed during the interview, the Examiner has entered the amendments in the Reply, so Applicants' attorney submits herewith further amendments to claims 11, 13, 15-18, 21, 22, 26, and 27.

The substance of the interview is further incorporated herein in the above amendments and the following remarks.

Restriction by Original Presentation

The Examiner has restricted and withdrawn claims 28-30 from consideration as allegedly being directed to a non-elected Group. The Examiner states that the election was made by original presentation and examination of original claims 1-27.

The Examiner asserts, which Applicants do not acquiesce to, that now cancelled claims 28-30 "are directed to an invention that is independent or distinct from the

Reply to Office Action of January 28, 2010

"invention originally claimed" (Office Action, page 2). Applicants note that claims 28-30 include common features shared with claims 11, 17, 18, and 21 with respect to a method. However, merely to expedite prosecution, Applicants have canceled claims 28-30 without prejudice to or disclaimer of the subject matter therein.

Summary of Office Action Dated July 17, 2009

At page 4 of the Restriction Requirement, the Examiner states that "[t]he rejections of claims 11-13 and 15-27, addressed in pages 2-18 of the Non Final Office Action mailed on 07/17/2009, are maintained." In the Office Action dated July 17, 2009, the Examiner objected to the specification as allegedly failing to provide proper antecedent basis for claims 17 and 20. (Office Action, pages 2-3). The Examiner rejected claim 17 under 35 U.S.C. § 112, first paragraph, as allegedly failing to comply with the written description requirement and rejected claims 16, 17, 20, 23, and 26 under 35 U.S.C. § 112, second paragraph, as being allegedly indefinite. (Office Action, pages 3-4). At page 7 of the Office Action the Examiner rejected claims 11, 17 and 21 under 35 U.S.C. § 103(a) as being allegedly unpatentable over Japanese Patent Application Publication Number 2000-76336 to Fukuo Taro ("Taro") in view of U.S. Patent Application Publication Number 2001/0001877 to French *et al.* ("French"). At page 12 of the Office Action the Examiner rejected claims 13 and 25 under 35 U.S.C. § 103(a) as being allegedly unpatentable over Taro in view of French, and further in view of Japanese Patent Application Publication Number 2000-92236 to Shuichi *et al.* ("Shuichi") and Japanese Patent Number 06-215009 to Shunichi ("Shunichi"). At page 15 of the Office Action the Examiner rejected claims 18-20 under 35 U.S.C. § 103(a) as being allegedly unpatentable over Shuichi in view of Taro and further in view of French.

Applicants respectfully traverse these rejections as discussed in the Reply, the Interview, and for the additional reasons stated below.

Objections to the Specification

At page 2 of the Office Action, the Examiner objected to the specification as allegedly failing to provide proper antecedent basis for the subject matter recited in claims 17 and 20. Applicants respectfully traverse these objections.

With regards to claim 17, without acquiescing to the propriety of the objection, and merely to expedite prosecution, based on the amendments above Applicants respectfully request the Examiner reconsider and withdraw the objection to the specification. Support for amendments to claim 17 can be found, for example, at pages 17-18 and FIG. 1 of the originally filed specification.

Without acquiescing to the propriety of the objection to claim 20, Applicants have cancelled claim 20 rendering this objection moot.

Accordingly, Applicants respectfully request that the Examiner reconsider and withdraw the Objections to the Specification.

Rejections under 35 U.S.C. § 112

35 U.S.C. § 112, First Paragraph

At page 3 of the Office Action the Examiner rejected claim 17 under 35 U.S.C. § 112, first paragraph, as allegedly failing to comply with the written description requirement. Applicants respectfully traverse this rejection.

With regards to claim 17, without acquiescing to the propriety of the rejection, and merely to expedite prosecution, based on the amendments above Applicants

respectfully request the Examiner reconsider and withdraw the rejection. Additionally, at least based on their respective dependencies to claim 17, claims 23-27 should be found allowable.

35 U.S.C. § 112, Second Paragraph

At page 4 of the Office Action the Examiner rejected claims 16, 17, 20, 23, and 26 under 35 U.S.C. § 112, second paragraph, as being allegedly indefinite. Applicants respectfully traverse this rejection.

Claims 16 and 26

Without acquiescing to the propriety of the rejection, Applicants have amended claims 16 and 26 for other reasons and to expedite prosecution. Claims 16 and 26 no longer recite "the services." Based on the amendments above, Applicants respectfully request the Examiner reconsider and withdraw the rejection.

Claim 17

With regards to claim 17, without acquiescing to the propriety of the rejection, and merely to expedite prosecution, based on the amendments above Applicants respectfully request the Examiner reconsider and withdraw the rejection.

Claim 20

Without acquiescing to the propriety of the rejection, Applicants have cancelled claim 20 rendering this rejection moot.

Accordingly, Applicants respectfully request that the Examiner reconsider and withdraw the 35 U.S.C. § 112, second paragraph rejection of claims 16, 17, 23, and 26 and pass these claims to allowance.

Rejections under 35 U.S.C. § 101

At page 5 of the Office Action the Examiner rejected claims 20 and 21 under 35 U.S.C. § 101 as allegedly being directed to non-statutory subject matter. Applicants respectfully traverse this rejection.

Claim 20

As discussed during the aforementioned telephonic interview, without acquiescing to the propriety of the rejection, Applicants have cancelled claim 20, thus rendering the rejection of this claim moot.

Claim 21

With regards to claim 21, a "tangible computer-readable medium" is clearly described in the originally filed specification and shown in the Figures as, e.g., storage means MEM 1 and MEM 2 shown in FIGS. 1 and 2 and described, e.g., on pages 10-11 of the originally filed specification. This portion of the originally filed specification clearly supports a tangible computer-readable medium because information stored in MEM 1 and MEM 1 are read by or accessed a host computer HC, as any skilled artisan would understand from reading the specification. Further, this portion of the originally filed specification clearly does not explicitly or implicitly disclose that MEM 1 or MEM 2 could be carrier waves, as speculatively alleged by the Examiner, as any skilled artisan would understand from reading the specification. Further, the claims and specification clearly tie the steps to a statutory class, and thus are clearly not functional *per se*.

Accordingly, Applicants respectfully request that the Examiner reconsider and withdraw the 35 U.S.C. § 101 rejection of claim 21 and pass this claim to allowance.

Rejections under 35 U.S.C. § 103

Claims 11, 17, and 21

At page 7 of the office Action the Examiner rejected claims 11, 17 and 21 under 35 U.S.C. § 103(a) as being allegedly unpatentable over Taro in view of French. Applicants respectfully traverse this rejection.

The Applied References Lack Being Able to Complete a Transaction Before Performing Authentication

Without acquiescing to the propriety of the rejection, Applicants have amended claims 11, 17, and 21 for other reasons and to expedite prosecution. Claims 11, 17, and 21 recite features that distinguish over the applied references. For example, claims 11 and 21 as amended herein recite, using respective language, *inter alia*:

... information regarding authentication of a user and *identifying at least a price of a product or service to be purchased by the user*, wherein the first request is in response to a transaction at the service device;

... *authenticating the user for the transaction before completing the transaction if the price is below a threshold amount, which corresponds to a first authentication level*; and

... *authenticating the user for the transaction after completing the transaction if the price is above a threshold amount, which corresponds to a second authentication level*.

Also, for example, claim 17 as amended herein recites, among other features:

... information from a service device regarding authorization of a user and *identifying at least a price of a product or service to be purchased by the user*, wherein the . . . request is in response to a transaction at the service device; and

wherein *authentication of the user is performed for the transaction before completing the transaction if the price is below a threshold amount, which corresponds to a first authentication level*,

wherein *authentication of the user is performed for the transaction after completing the transaction if the price is above a threshold amount, which corresponds to a second authentication level*.

The applied references, taken singly or in the allegedly obvious combination, do not teach or suggest “authenticating the user for the transaction before completing the

transaction if the price is below a threshold amount, which corresponds to a first authentication level; and authenticating the user for the transaction after completing the transaction if the price is above a threshold amount, which corresponds to a second authentication level," as recited, using respective similar language, in claims 11, 17, and 21.

French discloses that "[a]nother object of the invention is to provide an authentication system and method that perform a first level of authentication based on a first type of information and, based on the results of the first level of authentication, determine whether to perform at least a second level of authentication using another type of information." (French, paragraph [0010].) In contrast, claims 11, 17, and 21 recite, using respective language, authenticating the user for the transaction before completing the transaction if the price is below a threshold amount, which corresponds to a first authentication level; and authenticating the user for the transaction after completing the transaction if the price is above a threshold amount, which corresponds to a second authentication level, not performing a first and then maybe a second level of authentication, as required by French.

French also discloses that:

[t]he user is initially requested to provide a first type of identification information. The first type of information is preferably ***wallet-type information***, that is, information such as name, address, driver's license or other information that may be commonly carried on the person. ***This information is transmitted to the authentication server which carries out a first level authentication process on that information.***

That first level authentication process compares the degree of match between the user-supplied first type of information and known data about the user from other sources. At the completion of this first level authentication process, the authentication server may allow the requested access, allow the requested access with restriction, refuse access or proceed to another level of authentication.

Preferably, *the second and any additional levels of authentication request a second, non-wallet type of information from the user. The second type of information is preferably based on comparatively private information that only the user would know.* For example, the second type of information may include mortgage loan or other information obtained from a credit report or another source. Such information is typically not carried with a person, and therefore the chances of fraud by someone who obtains lost or stolen information and attempts to execute a transaction are reduced. (French, paragraphs [0023] - [0025]) (emphasis added).

Thus, French clearly discloses a "first level of authentication" that "compares the degree of match between the user-supplied first type of information and known data about the user from other sources" and a "second level of authentication" that is "based on comparatively private information that only the user would know." French does not teach timing of the authentication, as recited in at least the above-noted distinguishing features of claims 11, 17, and 21. Rather, French teaches that a first authentication is always performed before completing the transaction, and that possibly a second level of authentication may be needed based on user information.

French discloses that "lower risk transactions such as relatively small purchases *may not require an extensive authentication process.*" (French, paragraph [0021]). On the other hand, more sensitive or greater risk transactions such as large purchases or sensitive data access may require a more thorough authentication process and a greater level of security." (French, paragraph [0021]). Thus, French clearly teaches that even for small purchases authentication is required *before completing* the transaction, which is in contrast to at least the above noted distinguishing features of claims 11, 17, and 21.

At page 7 of the Office Action the Examiner states, to which Applicants do not acquiesce, that Taro teaches "receiving a first request, from a service device, for information regarding authentication of a user, wherein the first request is in response to

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a transaction at the service device." However, the Examiner does not use Taro to teach, nor does Taro teach, at least the above noted distinguishing features of claims 11, 17, and 21. Thus, Taro cannot be used to cure the deficiencies of French. Therefore, the applied references cannot be used to establish a *prima facie* case of obviousness for claims 11, 17, and 21.

Accordingly, Applicants respectfully request that the Examiner reconsider and withdraw the 35 U.S.C. § 103(a) rejection of claims 11, 17, and 21 and pass these claims to allowance.

At page 7 of the Office Action the Examiner states, to which Applicants do not acquiesce, that Taro teaches "receiving a first request, from a service device, for information regarding authentication of a user, wherein the first request is in response to a transaction at the service device." Taro discusses an "electronic settlement authentication system" which "calls the user terminal . . . through a public telephone network . . . to receive secret information on a credit card number etc., directly from the user terminal through the public telephone network" (Taro, Abstract). However, the Examiner does not use Taro to teach, nor does Taro teach, at least the above noted distinguishing features of claims 11, 17, and 21. Thus, Taro cannot be used to cure the deficiencies of French. Therefore, the applied references cannot be used to establish a *prima facie* case of obviousness for claims 11, 17, and 21.

Accordingly, Applicants respectfully request that the Examiner reconsider and withdraw the 35 U.S.C. § 103(a) rejection of claims 11, 17, and 21 and pass these claims to allowance.

Claims 12 and 22-24

At page 9 of the Office Action the Examiner rejected claims 12 and 22-24 under 35 U.S.C. § 103(a) as being allegedly unpatentable over Taro in view of French, and further in view of Shuichi. Applicants respectfully traverse this rejection.

At page 10 of the Office Action the Examiner states, to which Applicants do not acquiesce, that Shuichi teaches "a mobile communication device which transmits a user ID to a host communications device to a demand." However, the Examiner does not use Shuichi to teach, nor does Shuichi teach, at least the above noted distinguishing features of claims 11 and 17. Thus, Shuichi cannot be used to cure the deficiencies of Taro and French. Therefore, the applied references cannot be used to establish a *prima facie* case of obviousness for claims 11 and 17.

Accordingly, at least based on their respective dependencies to claims 11 and 17, claims 12 and 22-24 are allowable for at least being dependent from an allowable independent claim, in addition to their own respective distinguishing features. See *In Re Fine*, 837 F.2d 1071 (Fed. Cir. 1988) and M.P.E.P. § 2143.03.

Claims 13 and 25

At page 12 of the Office Action the Examiner rejected claims 13 and 25 under 35 U.S.C. § 103(a) as being allegedly unpatentable over Taro in view of French and Shuichi, and further in view of Shunichi. Applicants respectfully traverse this rejection.

At page 12 of the Office Action the Examiner states, to which Applicants do not acquiesce, that Shunichi teaches "receiving from the service device information regarding current services provided." However, the Examiner does not use Shunichi to teach, nor does Shunichi teach, at least the above noted distinguishing features of claims 11 and 17. Thus, Shunichi cannot be used to cure the deficiencies of Taro, French, and

Shuichi. Therefore, the applied references cannot be used to establish a *prima facie* case of obviousness for claims 11 and 17.

Accordingly, at least based on their respective dependencies to claims 11 and 17, claims 13 and 25 should be found allowable over the applied references, as well as for their additional distinguishing features.

Claims 15, 16, 26, and 27

At page 13 of the Office Action the Examiner rejected claims 15, 16, 26, and 27 under 35 U.S.C. § 103(a) as being allegedly unpatentable over Taro in view of French, and further in view of Shunichi. Applicants respectfully traverse this rejection.

At page 13 of the Office Action the Examiner states, to which Applicants do not acquiesce, that Shunichi teaches "comparing the parameter of the transaction with a parameter of a past transaction provided." However, the Examiner does not use Shunichi to teach, nor does Shunichi teach, at least the above noted distinguishing features of claims 11 and 17. Thus, Shunichi cannot be used to cure the deficiencies of Taro and French. Therefore, the applied references cannot be used to establish a *prima facie* case of obviousness for claims 11 and 17.

Accordingly, at least based on their respective dependencies to claims 11 and 17, claims 15, 16, 26, and 27 should be found allowable over the applied references, as well as for their additional distinguishing features.

Claims 18-20

At page 15 of the Office Action the Examiner rejected claims 18-20 under 35 U.S.C. § 103(a) as being allegedly unpatentable over Shuichi in view of Taro and further in view of French. Applicants respectfully traverse this rejection.

As discussed during the aforementioned interview, without acquiescing to the propriety of the rejection, Applicants have cancelled claim 20. The cancellation of claim 20 renders the rejection of this claim moot.

Without acquiescing to the propriety of the rejection, Applicants have amended claim 18 for other reasons and to expedite prosecution. Claim 18 recites features that distinguish over the applied references. For example, claim 18 recites, *inter alia*, "a plurality of *independent* authentication levels."

French discloses that "[a]nother object of the invention is to provide an authentication system and method that perform a first level of authentication based on a first type of information and, *based on the results of the first level of authentication, determine whether to perform at least a second level of authentication* using another type of information." (French, paragraph [0010]). As shown above, French, in paragraphs [0010] and [0023] – [0025], discloses a "first level of authentication" that "compares the degree of match between the user-supplied first type of information and known data about the user from other sources" and a "second level of authentication" that is "based on comparatively private information that only the user would know." French does not teach or suggest "wherein the request for information is received before the transaction has completed when *a first one of a plurality of independent authentication levels* is used for the transaction, and wherein the request for information is received after the transaction has completed when *a second one of the plurality of independent authentication levels* is used for the transaction," as recited in claim 18. Rather, French teaches that a first level of authentication may be needed *based on user-supplied information* or information that only the user would know and based on the results of the first level of authentication, a determination is made "whether to perform at

least a second level of authentication using another type of information." (French, paragraph [0010]).

Nowhere does French disclose a plurality of independent authentication levels, as recited in claim 18. Rather, French merely states that "large purchases" require a "greater level of security" (i.e., the "second level of authentication" that is "based on comparatively private information that only the user would know") (French, paragraphs [0021] and [0023] – [0025]).

Thus, the "authentication levels" in French are not "a plurality of *independent* authentication levels," as recited by claim 18. Rather, in French, "a second level of authentication" is "*based on the results of the first level of authentication.*"

At page 15 of the Office Action the Examiner states, to which Applicants do not acquiesce, that Shuichi teaches "a receiver operable to receive, from a host computer, a request for information regarding authentication of a user," and at page 16 of the Office Action the Examiner states, to which Applicants do not acquiesce, that Taro teaches "a request for information regarding authentication of a user at [a] service device, wherein the request is in response to a transaction at the service device." However, the Examiner does not use Shuichi or Taro to teach, nor do Shuichi or Taro teach, at least the above noted distinguishing features of claim 18. Thus, Shuichi and Taro cannot be used to cure the deficiencies of French. Therefore, the applied references cannot be used to establish a *prima facie* case of obviousness for claim 18.

Accordingly, Applicants respectfully request that the Examiner reconsider and withdraw the 35 U.S.C. § 103(a) rejection of claim 18 and pass this claim to allowance. Additionally, at least based on its dependency to claim 18, claim 19 should be found allowable over the applied references, as well as for its additional distinguishing features.

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New Claim 31

New claim 31 depends from claim 11 and includes all features therein. Therefore, at least based on its dependency to claim 11, claim 31 should be found allowable over the applied references, as well as for its additional distinguishing features.

Conclusion

All of the stated grounds of objection and rejection have been properly traversed, accommodated, or rendered moot. Applicants therefore respectfully request that the Examiner reconsider all presently outstanding objections and rejections and that they be withdrawn. Applicants believe that a full and complete reply has been made to the outstanding Office Action and, as such, the present application is in condition for allowance. If the Examiner believes, for any reason, that personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at the number provided.

Prompt and favorable consideration of this Amendment and Reply is respectfully requested.

Respectfully submitted,

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